

HSA – HCRA Comparison

	Health Savings Account (HSA)	Health Care Reimbursement Account (HCRA)
Eligible account holders	High-Deductible Health Plan (HDHP) participants	Preferred Provider Organization (PPO) Plan participants
Account design	Use it or save it (You own the account)	Use-it-or-lose-it scenario for leftover funds at end of following year's grace period
Tax-advantaged contributions	✓	✓
Nontaxable withdrawals for qualified medical expenses	✓	✓
Interest-bearing	✓	—
Funds roll over year to year	✓	—
Portable to new employer or into retirement	✓	—
Investment options	✓	—
Ability to modify contribution amount throughout year	✓	—
Up-front feature (You can spend more than the dollar amount in the account)	—	✓
Requirement to submit receipts	— (You do, however, need to save the receipts for 7 years in case of an IRS audit)	✓ (If the account carrier questions the eligibility of a submitted expense, they may temporarily suspend your debit card)
Requirement to re-enroll every year during Open Enrollment	—	✓
Annual contribution limit for 2014	\$3,300 single \$6,550 family (Extra \$1,000 age 55 up)	\$2,500
Qualifies for LANL's 2014 transition contribution	✓ (\$250 single, \$750 family)	—